



The Commonwealth of Massachusetts

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

MASSACHUSETTS ELECTRIC COMPANY NANTUCKET ELECTRIC COMPANY AND NEW ENGLAND POWER COMPANY

D.T.E. 02-79/03-124/03-126

FIRST SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO MASSACHUSETTS ELECTRIC COMPANY, NANTUCKET ELECTRIC COMPANY, AND NEW ENGLAND POWER COMPANY

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy ("Department") submits to Massachusetts Electric Company, Nantucket Electric Company, and New England Power Company ("MECo" or "Company") the following Information Requests:

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.

5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please file one copy of the responses with Mary Cottrell, Secretary of the Department and with all parties; also submit two (2) copies of the responses to John J. Geary, Hearing Officer, one (1) copy of the responses to Sean Hanley, Assistant Director, Rates and Revenue Requirements Division; one (1) copy of the responses to Stephen Crowley, Analyst, Rates and Revenue Requirements Division; one (1) copy of the responses to Glenn Shippee, Analyst, Rates and Revenue Requirements Division; and one (1) copy of the responses to Rose Ann Pelletier, Analyst, Electric Power Division.
8. In addition to filings all non-proprietary responses should be submitted by e-mail to dte.efiling@state.ma.us and to the e-mail address of any party required to be served.
9. Responses are due on or before Monday, December 13, 2004.

INFORMATION REQUESTS

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| DTE 1-1 | For each line and dollar value to Att. 1 of the Settlement’s cover letter, please identify the Department docket where the Company addresses this issue. |
| DTE 1-2 | Provide a table that (1) compares the cover letter’s Att.1 line items to the amount the Company sought recovery of in the relevant Department proceeding and (2) computes the individual line item difference in the two amounts. For any non-zero difference, please identify the components. |

- DTE 1-3 Confirm the accuracy of the cite (i.e., App. 1, Section 1.1.4(e)) listed in the last sentence of Article 1 (Settlement at 3) that refers to NEP's restructuring settlement.
- DTE 1-4 Please provide a copy of NEP's restructuring settlement.
- DTE 1-5 Confirm the accuracy of the \$18.7 million amount in the Settlement, Article 2 (a) at 4. If the \$18.7 million amount is correct, then please identify the difference from the calculation below.
- | | |
|--------------|-------------------|
| \$9,000,000 | Section 2(a)(i) |
| \$1,400,000 | Section 2(a)(ii) |
| \$2,064,714 | Section 2(a)(iii) |
| \$4,600,000 | Section 2(a)(iv) |
| \$1,880,000 | Section 2(a)(v) |
| ----- | |
| \$18,944,713 | |
- DTE 1-6 Refer to the cover letter at 2 of 3. A reference is made to "a Customer Credit that totals approximately \$19.9 million." Please indicate (1) if that credit is the topic of Article 2(a) of the Settlement and (2) if another article of the Settlement describes any other components of the customer credit.
- DTE 1-7 Refer to the cover letter at 2 of 3. A reference is made to "CTC credits totaling \$9.9 million." On Att. 1 to the cover letter, two separate amounts are shown, \$9.0 million and \$0.90 million. Please provide all workpapers, calculations, assumptions, etc., used to derive each of these amounts.
- DTE 1-8 Refer to the Settlement at 4, 9. Regarding the \$9 million amount cited at 4, please allocate that total to the four reconciliation issues listed in Article 3(d) at 9.
- DTE 1-9 If the proposed Settlement is not approved, what would the Company's standard offer service rate be effective January 1, 2005? Would the Company be seeking a standard offer service fuel adjustment?
- DTE 1-10 Refer to the \$44 million deferral in the Settlement at 7. How much of this deferral is a result of the under-recovery of standard offer costs that will occur after December 31, 2004?

- DTE 1-11 Refer to the Settlement, Att. 5, at 5. Please explain in greater detail what is meant by the “the return on the final fuel cores and materials and supplies at any nuclear units in which NEP or Montaup held an ownership interest entitlement.”
- DTE 1-12 Refer to the cover letter at 2. Please provide a calculation and supporting workpapers for the expected \$43.7 million in under recovery of standard offer service commodity costs that are proposed to be deferred until 2010.
- DTE 1-13 Refer to the cover letter at 2. Please discuss in detail the Company’s “economic benefit of \$33.1 million realized by deferring the \$43.7 million in standard offer service costs costs. Please also discuss what is meant by the estimated \$18.2 million of additional economic value” to the Company’s customers under this Settlement.
- DTE 1-14 Refer to Settlement, Att. 5, at 5. According to the Company, the refund of the \$9 million and the prospective credit implemented by NEP will result in the resolution of certain outstanding issues including “the return on Montaup’s payments to buy out of the purchased power contracts for a portion of the output from the Pilgrim Nuclear Unit.” Please provide a full explanation of this issue and its current resolution status. Additionally, please provide a complete set of the Federal Energy Regulatory Commission’s (“FERC”) filings related to this issue.
- DTE 1-15 Refer to MECo’s cover letter at 4. Please provide the discount rates used for comparison purposes in order to determine the estimated economic value to ratepayers of \$33.1 and \$18.2 million.
- DTE 1-16 Refer to the Settlement, Art. 9. Please explain in detail what were to happen if FERC does not approve the provisions of Att. 5.